

September 17, 2014

An important announcement about healthcare benefits for Medicare-eligible Brookhaven Science Associates retirees, participants receiving BSA Long Term Disability Plan benefits, and eligible dependents:

Healthcare costs in the United States continue to rise at a rate greater than inflation. BSA strives to provide a quality healthcare solution at affordable rates for our participants. The last few years have been challenging for both BSA and participants due to increasing medical plan costs and legislation. For medical plan participants, contributions have increased each year since 2012, and we anticipate that contributions would continue to rise each year.

Through extensive research of the significant changes in the Medicare marketplace, BSA has found that participants may purchase more affordable coverage than the group health coverage BSA is able to offer through a healthcare exchange while containing costs for BSA.

A healthcare exchange is an organization set up to facilitate the purchase of health insurance. Exchanges provide access to a variety of healthcare plans from which individuals may purchase health insurance policies. Healthcare exchanges offer participants more options for premiums and coverage. There are both public and private exchanges. BSA will be utilizing a private exchange which is different from the public exchanges put in place as part of national healthcare reform.

BSA has chosen SelectQuote Senior, a private healthcare exchange, to assist participants in electing a new healthcare plan for medical and prescription drug coverage that best meets their needs, effective January 1, 2015.

With this change to a private exchange with multiple options for participants, beginning January 1, 2015, the current medical plans (CIGNA and HIP VIP) will no longer be available through BSA for Medicare-eligible participants. This affects retirees, participants receiving BSA Long Term Disability Plan benefits, and eligible dependents. This change does not affect BSA medical plan participants who are not eligible for Medicare.

BSA remains committed to offering quality, affordable healthcare coverage for participants, including sharing the cost of your coverage.

You will soon be receiving an information packet, including an introduction to SelectQuote Senior's services, enrollment details, meeting dates, contact information, and more.

Sincerely,



Robert Lincoln
Chief Human Resources Officer